

# **CHANGING TIMES AND AGRARIAN UNREST IN NUEVA ECIJA: THE BREAKDOWN OF SHARE TENANCY IN A PHILIPPINE PROVINCE DURING THE EARLY TWENTIETH CENTURY**

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## **Abstract**

The early twentieth century was a time of tremendous change for the Philippines when American rule, liberal democracy and capitalism, introduced a generation of Filipinos to a new world. As they navigated their way through the era they faced new sets of challenges. While some practices were reconciled with the modern ways, others had to yield to changing times. Among those affected was the relationship of landlords and their share tenants.

In Nueva Ecija, a province in Central Luzon, while internal defects of share tenancy already caused landlord-tenant relations to deteriorate, external factors added pressure to the already volatile situation. These factors were: economic instability, consumerism, pricecontrol, open government support to peasants, class consciousness and labor leaders. The paper shall evaluate the confluence of the defects of share tenancy and the external factors that led to agrarian unrest in the province during the prewar era. It will also assess the impact of changing times on landlordism in the Philippines.

**Pages: 17**

## **Key Words**

Agrarian Unrest, Landlord-tenant relations, Nueva Ecija, Central Luzon, Philippines

## **INTRODUCTION**

Landlordism in the Philippines was rooted in share-tenancy, locally known as the *kasamá* system. In *The Huk Rebellion: A Study of Peasant Revolt in the Philippines*, Benedict J. Kerkvliet found that at one time, tenants in the Philippines considered the system to be judicious. The paternalistic character of the relationship was regarded to be mutually beneficial for while the tenants' subordination was compensated by privileges extended by the landlords such as the right to farm a plot of land and loans of rice, the landlords benefitted from the tenants' acceptance of requests for odd jobs and loyalty that swelled the landlords' status and political power.<sup>1</sup>

This patron-client relationship deteriorated when the attitude of next generation landlords changed. They started treating their tenants as mere employees to whom their only obligation was to hand over the proper share of the harvest.<sup>2</sup> When customary privileges were withdrawn the *kasamá* system became exploitative in the eyes of the tenants, which caused dissatisfaction.

It must also be considered that at the turn of the 20<sup>th</sup> century, the Philippines became an American colony. The introduction of liberal democracy, American values and capitalism led to drastic changes in the cultural, ethical, intellectual and political climate. As the norms adjusted to the times, customary relations were maintained but new meanings were assigned to traditional roles.<sup>3</sup> Such change was also brought on by forces such as the world wars, economic instability, and socialism, among others. These were factors that were external to the *kasamá* system that also added pressure on landlord and tenant relations. It may thus be said that the confluence of internal defects and external pressures ultimately resulted to the breakdown of the *kasamá* system which led to agrarian unrest in the province during the prewar era.

## BACKGROUND

Nueva Ecija is a province in the Central Luzon region. Throughout most of the twentieth century it was the "Rice Granary" of the Philippines. The province had not always been devoted to rice production for throughout most of its history, it was a frontier area. It was only during the mid-nineteenth century that its vast plains were transformed into rice fields.<sup>4</sup> It was in 1920 that the province became the top rice producer and thus the "Rice Granary" of the islands.<sup>5</sup>

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<sup>1</sup>Benedict J. Kerkvliet., *The Huk Rebellion: A Study of Peasant Revolt in the Philippines* (Quezon City: New Day Publishers, 1979), 6-8.

<sup>2</sup>Ibid.

<sup>3</sup>Ibid, 25.

<sup>4</sup>Marshall S. McLennan, "Peasant and Hacendero in Nueva Ecija: The Socio-Economic Origins of a Philippine Commercial Rice-growing Region" (Ph.d. Diss. University of California, Berkeley, 1955), 375.

<sup>5</sup>Percy A. Hill, "The Rice Industry," *The American Chamber of Commerce Journal* 2 no. 8(August 1922), 24.

While the title of “Rice Granary” may suggest tremendous prosperity for the province, it was not the case. In fact, the 1920s-1930s was referred to as “a period of starvation amidst plenty.”<sup>6</sup> One reason for this was the tremendous difference between the prices given the rice growers and the prices in the markets, a situation attributed to the manipulation by middlemen and rice merchants. Price fluctuation from season to season and from month to month also placed the “consumer and small producer completely at the mercy of the weather and the middlemen.”<sup>7</sup> Leon Ma. Guerrero thus noted in 1938,

“The price of rice is not a figure for the statistical reports, but a matter of life and death.”

“If the price of rice goes up, 14,000,000 people know it. They have to pay more for life, they go hungry to bed or school.”

“If the price of rice goes down, then 4,000,000 landowners, tenants and ricemill laborers face ruin. Landowners tighten up on credit, and the tenant goes deeper into debt.

“If the price goes up, hunger.”

“If the price goes down, revolution.”

“Of all Filipino industries, rice is the most important in terms of life.”<sup>8</sup>

A similar opinion was expressed in the column “The Rice Farmer” of the *Herald* published on September 28, 1935, which conveyed a cynical view of the industry. The author wrote,

It is the misfortune of the rice producer that the stomach of the people is the regulator of the business. To speculate on that stomach is a highly dangerous venture. The copra manufacturer, the hemp planter, the sugar hacenderos may speculate all they want, but never the planter of rice.

The nation rejoices when copra, hemp and sugar prices are high; to the nation, if Providence grants it, the sky is the limit when it comes to the prices of these speculative crops. But in the matter of rice- the food of the public Minotaur- the limit is the common earth.<sup>9</sup>

The statement reveals an aspect of the rice industry that seems to have been generally ignored. That is, as the provider of the nation’s food staple there was a deemed ethical dimension to its existence.

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<sup>6</sup> “Jones Stops Payment on Rice Import,” *Herald*, October 23, 1935. “The Peasant War in the Philippines: A Study of the Causes of Social Unrest in the Philippines- An Analysis of Philippine Political Economy,” *Social Sciences and Humanities Review* (Manila: Philippines, 1946), 391.

<sup>7</sup> Charles Orville Houston, Jr. *The Philippine Commonwealth to Republic: an Experiment in Applied Politics* (Ph.D. diss.: Columbia University, New York, 1952), 106. /Charles O. Houston, Jr., “Rice in the Philippine Economy, 1934-1950,” *University of Manila Journal of East Asiatic Studies* 3 no. 1 (October 1953), 24.

<sup>8</sup> *Philippine Free Press*, August 20, 1938 in Lewis E. Gleeck, *Nueva Ecija in American Times: Homesteaders, Hacenderos & Politicos* (Manila: Historical Conservation Society, 1981), xv.

<sup>9</sup> “The Rice Farmer,” *Herald*, September 28, 1935.

Because rice was considered a basic necessity, its commerce was believed to be “a matter of life and death.” For this reason market forces were not allowed to govern the industry completely and the trade of rice was regulated by the government despite opposition from various sectors. The policy favored the urban consumers rather than the rice producers which consequently led to meager profits in an industry that seemed to be booming.<sup>10</sup>

This scenario affected both landowners and their tenants. But while landlords in general were able to bear the brunt of low profit from rice production by extending interest bearing loans, the tilling class had difficulty making ends meet and got deeper in debt. The situation in Nueva Ecija eventually led to the concentration of wealth in the hands of the few while the majority of the people suffered in abject poverty. This was the situation when social upheavals that lasted throughout the rest of the twentieth century erupted in the province.

In 1936, the Department of Labor conducted a fact-finding survey of rural problems and found that Nueva Ecija was the scene of more land conflicts than any other province. It was also the province with the greatest number of private haciendas (large landholdings).<sup>11</sup> Furthermore, newspaper reports from 1930 to 1941 also show that Nueva Ecija had one of the highest incidences of peasant unrest throughout the country.<sup>12</sup>

## INTERNAL FACTORS

### Paternalism and Rebellion

The *kasamá* system” involved a landowner who leased his land to a tenant on shares. Under ideal circumstances, landlord and tenant “each addressed the other as ‘*kasamá*’, partner, and shared a relation of mutual respect and trust, in which each was ready to provide resources the other lacked.”<sup>13</sup> In common practice, the division of the crop at harvest was determined by the items contributed to production. When the landowner provided the land, work animals and seed; and the share tenant his labor, the crop was equally divided at harvest after advances had been deducted. There were instances when the crop was also divided into three. One-third was given for labor, another third for the work animal and the remainder for the land. If the tenant owned the work animal he got two thirds of the rice crop and the landowner one third, and vice versa.<sup>14</sup> Thus, in the *kasamá* system both landowner and

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<sup>10</sup> Gleeck, 97.

<sup>11</sup> Ramon Torres, “Fact Finding Survey Report” (Manila: Department of Labor, Philippine Commonwealth, July 1, 1936), 262. American Historical Collection, Rizal Library, Ateneo de Manila University.

<sup>12</sup> Kerkvliet, 40.

<sup>13</sup> Brian Fegan. “The Social History of a Central Luzon Barrio,” in *Philippine Social History: Global Trade and Local Transformations*, ed. Alfred W. McCoy and Ed. C. de Jesus (Quezon City: Ateneo de Manila University Press, 1982), 102.

<sup>14</sup> Jose S. Camus, “Rice in the Philippines,” *The Philippine Agricultural Review* 14 no. 1 (First Quarter 1921), 21.

tenant were interested in the size of the crop produced because they shared in profit or loss.<sup>15</sup> It was estimated that 75 percent of rice cultivated in the Philippines was grown under the *kasamá* system during the 1920s.<sup>16</sup>

Hugo Miller observed that “in some regions and under certain circumstances the share tenants are comparatively free in action, in others, they are to a greater or less extent under the direction and supervision of the landlord, not only in matters pertaining to the tilling of the soil, but in family and everyday affairs.”<sup>17</sup> He went on to construe that the system was “as much social as economic in its origin,” that the share tenant was part of a socio-economic system that seldom changed his status, and that it was the social relation of the *kasamá* to his landlord that accounted for the persistence of the system. He also pointed out that in Central Luzon, the landlord exercised control most effectively and the tenant was correspondingly dependent.<sup>18</sup> More than just a socio-economic system, the *kasamá* system was therefore also a power relationship where the landlord exercised paternalistic authority over the tenant.

Kerkvliet assessed the correlation between high levels of tenancy and peasant unrest. He found that in the Census of the Philippines of 1939, the provinces where tenancy was highest were Pampanga, Negros Occidental, Nueva Ecija, and Bulacan, respectively. Except for Negros Occidental, the provinces with the highest tenancy rates were the core of peasant unrest and were also located in Central Luzon.<sup>19</sup>

Based on testimonies of villagers from Nueva Ecija he went on to construe that unrest during the 1930s was foremost the result of the breakdown of the paternal relations between landlords and tenants in Central Luzon.<sup>20</sup> He concluded that the desire for traditional patronage actually mattered more than mere high rates of tenancy. However there are some details in Kerkvliet’s findings that require careful examination.

First, Kerkvliet did not distinguish the tenancy system that prevailed in the provinces with high tenancy. For example, the census did not indicate that while the *kasamá* system was prevalent in Central Luzon, the hacienda system was common in Negros Occidental.<sup>21</sup> Peasant unrest in Central Luzon and the lack of it in Negros Occidental may thus have been rooted in the type of tenancy systems there.

Second, while Kerkvliet observed that the provinces with high rates of tenancy were also the core of peasant unrest, except for Negros Occidental, he did not infer a possible correlation between unrest and kind of crops produced in those provinces. While rice was the main product in the provinces with

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<sup>15</sup>Hugo Miller and Charles H. Storms, *Economic Conditions in the Philippines* (Boston: Ginn and Company, 1913), 188.

<sup>16</sup>Camus, 21.

<sup>17</sup> Miller & Storms, 188-189.

<sup>18</sup>Hugo Miller, *Principles of Economics Applied to the Philippines* (Boston: Ginn and Company, 1932), 387-388.

<sup>19</sup> Kerkvliet, 23-25.

<sup>20</sup> Ibid.

<sup>21</sup>Camus, 20.

unrest and where the *kasamá* system prevailed, Negros Occidental plantations were dedicated to sugar. It is also worth noting that while Nueva Ecija was the principal rice growing province of the Philippines in the 1930s, it was also the “scene of more land conflicts than any other province.”<sup>22</sup>

The present study therefore humbly maintains that the attribution of conflicts solely to the deterioration of paternal relations between landlords and tenants may be limited and that the root of conflict is the intrinsic defects of the *kasamá* system itself.

### **Defects of the *Kasamá* system**

Landlords and tenants looked after their own interests. While the landlord regarded the tenant as a “natural and easy means of getting his land worked,” the tenant looked upon the landlord as a business benefactor. The landlord thus tried to get as much out of the tenant as he could, to keep him indebted and contented so that he will not leave. The tenant on the other hand wanted to get as many advances as he could and to work as little as possible.<sup>23</sup>

But while the *kasamá* system was nonetheless considered mutually beneficial, it was really a system designed to advance inequity in favor of the landowning class. Though landlords conducted themselves within what was permissible in the system, they intentionally or not, promoted their interests at the expense of the share tenants. Accounts have shown that the *kasamá* system was plagued with inherent evils that caused the oppression of the peasants of the province. James Allen thus noted that exploitation was part of the system itself.<sup>24</sup> What follows are the defects of the system.

### ***Social Inequity***

The system perpetuated social inequity. For instance, most if not all items of production were provided by the landlord and these items were all forms of capital. Earnings from rice production were therefore value added to existing wealth. For the share tenant whose input was mainly labor, any earning was essentially a compensation for efforts exerted. It was the classic relationship of capital and labor, and the system was designed to increase the gap of wealth. For some, the set up may be deemed unfair, considering the large share the landlord received relative to the actual effort contributed in the rice production process.

Furthermore, the *kasamá* system was designed for the landlord and tenant to share in profit or loss because their shares were fixed percentages. Whatever the volume of the crop, both received a fixed proportion of the harvest. This meant that the ratio of earnings would always be the same regardless of crop size. Given the set up, the share tenant would never equal his landlord’s wealth regardless of his efforts. This perpetuated poverty among the tenant class for there was no incentive for exerting extra effort. Thus it was observed that “the tenant has no chance to get ahead of the game

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<sup>22</sup>Torres, 262. Gleeck, 155.

<sup>23</sup>Miller and Storms, 192.

<sup>24</sup>James S. Allen, “Agrarian Tendencies in the Philippines,” *Pacific Affairs* 11 no. 1 (March 1938), 63.

unless he is given a larger share of the crop than he produces or unless usury or “gouging” are eliminated.”<sup>25</sup>

### ***Dependence***

The system also fostered dependence on the landlords. Because the relationship was between two parties who were of unequal wealth and education, it was normal for those who had less to develop some dependence on those who had more. For this reason the relationship was often likened to that of father and child. It was hence common for landlords to provide guidance in farming, advice on personal matters and even the basic needs of the tenants.

In an article published in 1937, Percy Hill explained that in Nueva Ecija “the patent inequality of the landlord-tenant contracts lies in the fact that the position of the landlord is made stable by property, while the tenant has only his brawn. Hence the paternalism of the ancient system, which advanced subsistence.”<sup>26</sup>

### ***Infringement of Liberties***

In being dependent, the tenants surrendered themselves to the landlords and allowed the latter to exercise control over their lives. In the *Fact Finding Survey Report* of 1936 it was found that share tenants in general did not enjoy “constitutional and inalienable civil and political rights.”<sup>27</sup> It noted evidences of violations of such rights in Nueva Ecija.

Such violations could be found even in tenancy contracts. One that was used in the town of Aliaga compelled church attendance and work at fixed times by the tenants and their children, forbade the entrance of visitors, cutting of trees and bamboo, and also imposed fines of two to four cavans of palay for violations of the regulations.<sup>28</sup>

Another contract used at the Sabani Estate was described as “reasonable on the whole” but still included a provision for the “renunciation of the ‘aparceros’ (share tenant) rights to improvements and damages and the taking away of the land from him under any circumstances, without lot (?) or hindrance.”<sup>29</sup>

A lease contract used at Talavera dictated the “canon” of twelve cavans per hectare that was to be delivered to the lessor’s warehouse at Cabanatuan. It provided for compulsory labor without

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<sup>25</sup> Julian Balmaseda, “Agricultural Credit in the Philippines in its Different Stages,” *The Philippine Agricultural Review* 21 no.4 (Fourth Quarter 1928): 419.

<sup>26</sup> Percy A. Hill, “Agrarian Unrest- The New Tenancy Law,” *Philippine Magazine* 34 no.3 (March 1937), 143.

<sup>27</sup> Torres, 1.

<sup>28</sup> Ibid, 253.

<sup>29</sup> Ibid.

compensation in the construction and repair of dams and irrigation ditches. All improvements were to remain part of the land. The lessee was also “obliged to pay to the lessor all the expenses incurred by the latter to enforce his rights” under the contract, while no provision was made for the enforcement of the lessee’s rights. It was thus described as a one-sided contract.<sup>30</sup>

### ***Insecurity***

Another defect was that it caused insecurity among tenants. Because there was no mechanism for security of tenure in the *kasamá* system, it allowed landlords to evict tenants any time and for any reason. As a consequence, the tenants lived in “perpetual fear of eviction.” It was later identified to have been the “most persistent immediate cause of agrarian conflict.”<sup>31</sup> Later legislation would also show that this was one of the most objectionable features of the *kasamá* system. For tenants, the threat of eviction was a constant “sword of Damocles” that served as a reminder of their dependence on the landlord.

### ***Indebtedness***

The most notorious aspect of the *kasamá* system was its having been a system of wealth extraction in the form of a usurious credit system. Marshall S. McLennan even observed in, *The Central Luzon Plain: Land and Society on the Inland Frontier*, that the practices of landlords in Nueva Ecija had “all the earmarks of rent capitalism” which he defined as “the elaboration of mechanisms that place the peasant cultivator or artisan in debt to the gentryclass.”<sup>32</sup>

It was clear that rent capitalism prevailed in the province. In fact it seems that the primary inherent evil of the *kasamá* system was how it kept the tenant in debt to the extent that he became perpetually bonded to the landlord. As Karl J. Pelzer also pointed out,

It is to the advantage of the landlord to have the tenant indebted to him, not only because of the high interest rates but also because then the tenant may be forced to do all kinds of extra work and may not leave his holding. The debt binds the tenant to the land and makes him almost a slave of the landlord . . .<sup>33</sup>

This aspect of the *kasamá* system was the most commonly cited reason for the uprisings that erupted in Nueva Ecija during the 1920s and 1930s.

In 1940, the United States High Commissioner reported that disagreements between landlords and tenants in several provinces in Central Luzon persisted and became more serious during the year.

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<sup>30</sup> Ibid.

<sup>31</sup> Allen, 63.

<sup>32</sup> Marshall S. McLennan, *The Central Luzon Plain: Land and Society on the Inland Frontier* (Quezon City: Alemar-Phoenix Publishing House, Inc., 1980), 223.

<sup>33</sup> Pelzer, 94.



While he saw the unrest as the result of the activities of agitators, he also recognized such unrest to have been the consequence of landlords' actions.<sup>34</sup>

The *kasáma* system thus ceased to be regarded as a partnership based on mutual respect, trust and support. Brian Fegan argued that reinforced by socialist ideas, the peasants started viewing the landowners as exploiters.<sup>35</sup> In place of the patron client relationship, Michael Connolly, SJ said that,

they substituted a radical ideology that argued that the landowner had illegally grabbed the land by fraud and trickery; that big inquilinos had come by their capital by charging usurious rates of interest for loans and undervaluing debt payments in kind; that share tenants had paid both the value of the land and principal on loans many times over, yet the burden of debt grew continually because of the unfair rates of interest. The conclusion they drew was that they should "take the land, refuse to pay more rent, and renounce their debts."<sup>36</sup>

The *kasamá* system therefore brought social inequity, dependence, infringement of basic liberties, insecurity and indebtedness. Because such was intrinsic in the system, the deterioration of the relationship between landlords and tenants was inevitable. These inherent evils caused the share tenants' dissatisfaction which led to unrest. But, while these defects broke down the relationship, external pressures were also at play.

## EXTERNAL PRESSURES

Aside from the inherently exploitative character of the *kasamá* system, the dissatisfaction of peasants that led to unrest was also rooted in events that shaped the times. These events may be viewed as external pressures on the already volatile landlord-tenant relationship. These events may be classified as economic, political and social factors.

### Economic Factors

#### *General Economic Instability*

During the First World War, the strong demand for Philippine raw materials by warring nations caused the unprecedented rise in the price of export sugar, the increase of cordage manufacturing and the greater demand of copra for oil. The general prosperity that came with such demand was enjoyed by many and brought "a new idea of life and a vision heretofore undreamed of." It also led to "an increased desire for comforts, conveniences and a standard of living which called for money." However, the end of the war and economic readjustment were followed by a general industrial depression around the world which affected all Filipinos.<sup>37</sup>

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<sup>34</sup> *The Fourth Report of the United States High Commissioner to the Philippine Islands to the President and Congress of the United States, 1940* (Manila: n.p., Sept. 1, 1941), 110. Entry 95, Box 3, Record Group 350, NARA.

<sup>35</sup> Fegan, 102-103.

<sup>36</sup> Michael J. Connolly, SJ, *Church Lands and Peasant Unrest in the Philippines: Agrarian Conflict in 20<sup>th</sup>-Century Luzon* (Quezon City: Ateneo de Manila University Press, 1992), 94.

<sup>37</sup> Serafin E. Macaraig, *Social Problems* (Manila: The Educational Supply Co., 1929), 249. John A. Larkin, *The Pampangans: Colonial Society in a Philippine Province* (Quezon City: New Day Publishers, 1993), 248.

The effects of the war can be seen in the cost of articles of prime necessities sold in public markets. Prices were fairly stable from 1912-1915. By 1920 there was tremendous inflation and the prices of basic commodities had increased by more than a hundred percent.<sup>38</sup>

The Secretary of Finance also reported that the outbreak of the World War gave impetus to the export trade of the country and “on account of which the heaviest favorable balance for a period of five years took place.” The Secretary pointed out however that the year 1921 was in all respects the most critical period in Philippine foreign trade for in that year the unfavorable balance registered was “the largest figure ever recorded since American occupation.”<sup>39</sup>

The early 1920s was clearly a time of economic instability. Disillusionment, increased prices of goods and the general cost of living, as well as low wages made the period a time of great financial difficulty especially for the needy. For this reason, economic instability brought a sense of dissatisfaction among peasants.<sup>40</sup> This explains why agrarian unrest in Nueva Ecija and the rest of Central Luzon began in the early 1920s.<sup>41</sup>

### ***Consumerism of Philippine Society***

Prior to the American occupation, wages were very low in general and people had few needs to satisfy.<sup>42</sup> It was in the twentieth century that the tremendous pressures that came with a rapidly commercializing society were felt. Capitalism encouraged spending and consumerism affected even the peasants.<sup>43</sup>

Progress also came with increasing literacy, more movie theaters and wellstocked shops to invite spending. A change in the general lifestyle affected almost everyone including the peasantry, which felt the need for a larger share of the products of their toil.<sup>44</sup> Such need was however seldom satisfied, which caused dissatisfaction among them.

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<sup>38</sup> Hermenegildo Cruz, “Labor Supply and Conditions in the Philippine Islands,” Bureau of Labor-Manila, Department of Commerce and Communication, Government of the Philippine Islands, 1926. Joseph Ralston Hayden Papers, Box 15-18. Michigan Historical Collection, Bentley Historical Library, University of Michigan, Ann Arbor.

<sup>39</sup> Department of Finance, Manila. “Report of the Secretary of Finance (January 1 to December 31, 1922),” *Manuscript 1922 Report of the Governor General of the P.I.* (Part 3), 2-3. Record Group 350, NARA.

<sup>40</sup> Houston, 1952, 95/ Houston, 1953, 19.

<sup>41</sup> Macaraig, 249. Larkin, 306-307.

<sup>42</sup> Cruz, 110.

<sup>43</sup> Ibid.

<sup>44</sup> “Give Us this Day...” *The American Chamber of Commerce Journal* 17 no. 4 (April 1937), 9.

## **Price Control**

Another factor was the regulation of the price of rice. Despite the economic instability of the 1920s, statistics showed the continued growth of the rice industry of Nueva Ecija well into the 1930s. As mentioned earlier, while the circumstances suggested that the rice producers should have enjoyed tremendous prosperity, it was not the case because the price of rice was regulated by the government.

The price of rice was regulated to make the grain affordable to the general public. The policy favored the urban consumers over the rice producers (both landlords and tenants).<sup>45</sup> However, government effort to lessen the toll of inflation made life difficult particularly for the poor rice planters. In fact, it was found in the investigation that followed the Sakdal Uprising of 1935, that one of the reasons for the unrest was that the price of rice was so low that its cultivation allowed the small farmer no profit.<sup>46</sup>

By 1937, national leaders were aware of the impact of price control on the rice producers. It was reported that President Manuel Quezon told the manager of the National Rice and Corn Corporation (NARIC) Victor Buencaminoto protect the interests of both the producers and consumers with regard fixing the price of palay. The President said that “so long as the price of rice does not become a burden to the workingman which he can not (sic) carry without practically depriving himself of other necessities to life or subjecting him to an insufficient daily sustenance, the policy should be to encourage the rice industry by assuring it a reasonable profit that will benefit the tenants or the man working in the farms as well, as well as the landowners.” In response, Buencamino assured the President that an “increase in the price of palay, if granted, will enable the ‘kasama’ to get a higher income for his labor and approximate his earnings to that of a laborer at ₱1 daily wage.”<sup>47</sup>

However, in January 1938, Nueva Ecija rice planters still complained that “due to the decrease of production and the low price of rice, the price fixing move was detrimental to all concerned.”<sup>48</sup> Jose T. Ramos the president of the Landowners League of Nueva Ecija explained that in a bad year like then, the tenants bore the burden heavily. Because the NARIC kept down the price of palay, the land owners made little margin from normal crops. Over this, the operation of the tenancy law lessened the chances of recovery of advanced money to tenants.<sup>49</sup> The former practice of advancing money to tenants therefore had to be discontinued during times of crop shortage or market depression which made the circumstances even more difficult for the tenants.<sup>50</sup>

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<sup>45</sup> Gleeck, 97. Percy Hill, “The Rice Industry,” *The American Chamber of Commerce Journal* 5 no. 6 (June 1925), 20.

<sup>46</sup> E.D. Hester, “Memorandum Re Rice,” September 20, 1935, Office of the Governor-General of the Philippine Islands, Frank Murphy Papers, Sept. 16-30, 1935 (Box 52-33), 1. Michigan Historical Collection, Bentley Historical Library, University of Michigan, Ann Arbor.

<sup>47</sup> “Naric Takes Up Price Question, New Policy May Be Considered- General Increase Held Dangerous,” *Tribune*, November 23, 1937.

<sup>48</sup> “Defends Naric Price Fixing,” *Manila Bulletin*, January 12, 1938.

<sup>49</sup> Act No. 4054: The Rice Share Tenancy Law

In 1939, Buencamino noted that rice was the only basic commodity that did not have any increase in price during the “hysterical price boosting at the start of European hostilities,” referring to the outbreak of the Second World War in Europe. He attributed the prevention of any upswing in prices to the “stabilizing influence of the large stocks of rice kept by the Corporation,” as well as the “easy and even flow” of supplies to the markets. He also said that this fact was even “more impressive when it is considered that prices of all other commodities have increased from 10 per cent to as high as 30 per cent immediately after war in Europe was declared last September.”<sup>51</sup>

While it was good news for the country, the stability of the price of rice in light of the soaring cost of other commodities would again be detrimental to the rice producers. Government regulation forced rice producers to bear the brunt of the 10-30 percent increase of the cost of all other commodities as mentioned in the statement, which again would have been most difficult for the poor farmers. In “The Peasant War in the Philippines” published in 1946, it was thus stated that,

A report of the College of Agriculture in 1939 placed the income of the rice tenant at ₱130.00 annually on a three hectare farm. The tenant, could indeed, increase his income by working outside of the farm during off seasons. But where in our little feudal world could a tenant find work! His plight is unimaginable when he has a family to support. Consider in relation to his income the high cost of living, the increase of wants, and the economic difficulties caused by the War.<sup>52</sup>

All these circumstances explain why landowners tightened conditions of tenancy by demanding the strict payment of loans and by adopting elaborate mechanisms that placed peasant cultivators in debt. Such practices allowed them to increase their rent yields while crop yields were restrained by government. In the words of Brian Fegan, “landowners reacted to all these threats to their economic interests by squeezing tenants harder.”<sup>53</sup> Such acts, although not justifiable, were the landowners’ means of coping with the financial pressures of the period. Ultimately, it was the poor rice farmers who bore the whole burden for the stability of the price of rice.

## **Political and Social Factors**

### ***Open Government Support for Peasants***

The “official favoritism shown by the government to the poor in their conflicts against the rich” was viewed as another cause of unrest, for such support fuelled antagonistic feelings of the tenants against landlords.<sup>54</sup> In preparation for national independence, the government desired an increase in the

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<sup>50</sup> “Ask ₱3.20 Per Cavan of Palay,” *Manila Bulletin*, January 15, 1938.

<sup>51</sup> V. Buencamino, *Annual Report of the Manager to the Board of Directors for the Year Ending December 31, 1939*, *The National Rice and Corn Corporation, Manila* (Manila: Bureau of Printing, 1940), 8.

<sup>52</sup> “The Peasant War in the Philippines: A Study of the Causes of Social Unrest in the Philippines- An Analysis of Philippine Political Economy,” 391.

<sup>53</sup> Fegan, 99.

<sup>54</sup> Macaraig, 253.

number of small independent farmers as indicated by the discouragement of big landholdings in the Philippine Organic Act of 1902 which provided that no individual, company or corporation can buy, lease or operate more than 1,024 hectares of public land.<sup>55</sup>

Homestead and inter-island migration laws encouraged “borne-seekers” to take up homesteads in the public domain.<sup>56</sup> However, the title to these small holdings presented the greatest difficulty to the government. Due to the improper distribution of homestead grants, conflict of claims resulted among homesteaders and sometimes between them and landlords.

It was however noted that in addressing such problems, the government tended to openly support the farmers.<sup>57</sup> Government support thus gave peasants a sense of power which emboldened them to challenge the landlords as they fought for their perceived rights.

Felix Angeles of the Red Cross who reported on conditions in Jaen, Nueva Ecija also observed a correlation between agrarian unrest and open government support. He noted that too much publicity given to government relief funds made peasants want a share of the funds. This happened whenever it was announced that the government appropriated big sums for relief. He narrated that during his investigation in Jaen, his attention was called towards a local paper that carried news that the Province of Bulacan obtained ₱10,000 for relief, which he said agitated the people in Jaen because they wanted a share.<sup>58</sup>

Open government support to tenants thus led to unrest in two ways: first, in emboldening the peasants to challenge the landlords and second, in causing discontent over the failure to get a share of government relief funds.

### ***Class Consciousness and Labor Leaders***

Class consciousness was another factor that led to agrarian trouble. In pre-colonial times, the islands had a stratified society consisting of three classes known as the *datu* (rulers), *maharlika/timawa* (freemen) and *alipin* (dependents/slaves) classes. By the Spanish era, there was the *principalia* and *kailian*. The *principalia* was made up of wealthy people, political office-holders and former *capitanes* or *cabezas* while the *kailian* consisted of those who had to work for their taxes. The distinction between the two classes was very apparent but was “accepted as the logical order of things.” There were no

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<sup>55</sup> Ibid. James Putzel, *A Captive Land: The Politics of Agrarian Reform in the Philippines* (Quezon City: Ateneo de Manila University Press, 1992), 58.

<sup>56</sup> Macaraig, 252.

<sup>57</sup> Ibid.

<sup>58</sup> Felix Angeles, “Report on Actual Family Conditions of Tenants - Municipality of Jaen, Province of Nueva Ecija” (Manila: American Red Cross, Philippine Chapter, October 12, 1935), 3. Frank Murphy Papers, October 12-31, 1935, Box 52-38. Michigan Historical Collection, Bentley Historical Library, University of Michigan, Ann Arbor.

antagonistic feelings between them and the *principalia* looked upon the *kailian* with “a parental interest” while “the latter was conscious of the privilege.”<sup>59</sup>

The sense of mutuality disappeared when democracy was introduced and misunderstood by the common Filipino. Instead of being associated with equal opportunity for all, democracy was understood as equality in every way for everyone instead. Furthermore, while it seemed that socialist ideals were adopted by the laboring class and associations were formed with “the apparent purpose of encouraging mutual aid among their members,” in reality they were “designed to protect their members from the encroachments and injustices of the rich.”<sup>60</sup> It was thus said that a study of the social, political and economic forces of the conflict would demonstrate that unrest was neither a religious movement nor a political uprising, but a class war that endangered the political, economic and social institutions of the country.<sup>61</sup>

Angeles shared a similar view of what he referred to as the share tenant’s “communistic ideals.” Ideals that manifested in their complaints of not being taken care of by the government, in ridiculing officials in power and their desire to show the failure of government in its endeavors.<sup>62</sup> The article “Give us this Day . . .” on the other hand portrayed the agrarian movement as part of the world-wide discontent of working people under the economic-order that existed then.<sup>63</sup> It conformed to Eric R. Wolf’s later observation in *Peasant Wars of the Twentieth Century* that,

... the peasant is an agent of forces larger than himself, forces produced by a disordered past as much as by a disordered present. There is no evidence for the view that if it were not for “outside agitators,” the peasant would be at rest. On the contrary, the peasants rise to redress wrong; but inequalities against which they rebel are but, in turn, parochial manifestations of great social dislocations.<sup>64</sup>

Labor leaders and political agitators were considered to have aggravated the situation. For instance, Major Severo C. Cruz, provincial constabulary inspector of Pampanga declared that many unscrupulous labor leaders were taking advantage of the credulity of the ignorant masses, organizing labor unions for two selfish motives- monetary considerations and to attract public notice.<sup>65</sup> Serafin Macaraig believed that labor leaders, among whom many were “unsuccessful candidates in previous elections,” took advantage of the growing social and political consciousness by arousing political enthusiasm while posing as unselfish leaders fighting against the oppression of the working man. Felix

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<sup>59</sup>Macaraig, 252.

<sup>60</sup>Ibid, 253.

<sup>61</sup>Ibid, 251.

<sup>62</sup>Angeles, 3.

<sup>63</sup>“Give Us this Day...,” 9.

<sup>64</sup>Eric R. Wolf, *Peasant Wars of the Twentieth Century* (New York: Harper Torchbook, 1973), 301.

<sup>65</sup>“Major Cruz Blames Usurers, Radical Agitators for Current Unrest,” *Manila Bulletin*, April 10, 1939.

Angeles identified among the causes of unrest: dissatisfied leaders whose candidates did not win in elections who “fanned the flame of discontent,” as well as high expectations from victorious candidates to immediately improve conditions.<sup>66</sup> A special committee that investigated agrarian troubles detailed that the intervention of labor leaders in the personal relations of landlords and tenants caused the widening of the gulf between proprietors and laborers, because the labor leaders did not even know or were not acquainted with the problems connected with farm tenancy.<sup>67</sup> Last, Percy Hill reported that considerable agrarian trouble between landlords and tenants in Bulacan, Pampanga and elsewhere were fomented by irresponsible labor leaders yearning for self expression and incidentally a salary attached to some job, according to the land-owners.<sup>68</sup>

Macaraig explained that because a wide gap between rich and poor did not exist at the time, there had never been any serious conflict between social classes. Agitators used their time “continuously kindling the spirit of rebellion among our laboring classes.” Thus he accused these labor leaders of being more interested in trouble than the welfare of those they led.

### CHANGING TIMES

Unrest may thus be viewed as the consequence of changing times. While the *kasamá* system was considered to be a mutually beneficial relationship during an earlier era, by the 1920s and 1930s it came to be regarded as unfair and oppressive. This was where the deterioration in the paternalistic relations was found by Kerkvliet.

Landlords were described as having lost the “personal touch” in their dealings and the “more strict, businesslike and impersonal” attitude of the younger landlords was resented by the tenants.<sup>69</sup> A change in the notion of his role as a landlord was evident in an interview by Benedict J. Kerkvliet with Manolo Tinio, who narrated that in his childhood “the tenant-landlord system was a real paternalistic one.” He explained that,

The landlord thought of himself as a kind of grandfather to all his tenants, and so he was concerned with all aspects of their lives. That’s how my father, Manuel Tinio, was for instance. My father’s tenants thought very highly of him, too. But that system had to change over time as haciendas had to be put on a more sound economic footing. You see, the landlord-tenant relationship is a business partnership, not a family. The landlord has invested capital in the land, and the tenants give their labor.<sup>70</sup>

The more socially conscious peasants on the other hand also began to question paternalism itself. While demanded by the farmers interviewed by Kerkvliet, other peasants came to consider paternalism

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<sup>66</sup>Angeles, 3.

<sup>67</sup>Macaraig, 254-258.

<sup>68</sup>Percy Hill. “The Rice Industry,” *The American Chamber of Commerce Journal* 4 no. 11 (November 1924), 19.

<sup>69</sup>Kerkvliet, 10.

<sup>70</sup>*Ibid*, 11-14.

as a social evil. This was the perspective of Luis Taruc, leader of the peasant movement, in an interview by Bruce Nussbaum where he said,

They called us “amang”, “anak”, that is, “my son”, “my daughter”, the way they dealt with us, so they were like parents or had a parental way of treating us which in the long run I came to realize it was worse because we did not want to be freed from our shackles, from our slavery, from that kind of landlordism just because they treated us as if we were children, which was just a gimmick so that we will not be discontented with their usurious practices and their exploitation of our labors.<sup>71</sup>

What therefore occurred was not a change in the system but a shift in how the landlords and tenants perceived the nature of their relationship and the roles they played, as clearly shown in the above given examples. With altered expectations, the *kasamá* system could not anymore function as it had in the past and the injustices it came to be associated with eventually brought dissatisfaction and unrest.

The breakdown of relations between landlords and tenant-farmers may be viewed as the result of a social paradigm shift. While traditional relations remained, new meanings were assigned to traditional roles. Expectations were also altered as the norms conformed to the new standards. The *kasamá* system was therefore outgrown by landlords and share tenants, a casualty of changing times.

## CONCLUSION

The present study demonstrates why it is necessary to adopt a broader perspective to understand the reasons for the outbreak of agrarian unrest in the 1920s and 1930s in Central Luzon. As presented in this study, while inherent defects of the *kasamá* system led to the deterioration of the relationship between landlords and share tenants, external factors simultaneously added pressure to the already volatile situation. It was the convergence of such forces that ultimately caused the breakdown of landlord and tenant relations that led to the collapse of peace and order in Nueva Ecija and the rest of Central Luzon.

By mid-twentieth century, Central Luzon was still the hotbed of social unrest in the country but by then organized peasants had gained sufficient strength to seriously threaten the Republic.<sup>72</sup> This led the state to embark on a series of agrarian reform programs that endeavored to bring an end to landlord dominance in the countryside, paving the way for the redistribution of land to the masses and the alteration of their relationship with the landlords, an effort that continues to this day. Through such reform, the prevalence of the *kasamá* system and the age of landlord supremacy ended.<sup>73</sup>

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<sup>71</sup> Luis Taruc, interview by Bruce Nussbaum, May 29, 1974, 22-23, interview transcript. Bentley Historical Library, University of Michigan, Ann Arbor.

<sup>72</sup> Horacio de la Costa, *Readings in Philippine History* (Manila: Bookmark, Inc., 1992), 258.

<sup>73</sup> Putzel, 137.



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